



**Date:** March 19, 2013

**To:** Thomas J. Bonfield, City Manager  
**Through:** Keith Chadwell, Deputy City Manager  
**From:** Reginald J. Johnson, Director  
Department of Community Development  
**Subject:** Approval of a Southside Neighborhood Site Preparation and Infrastructure Contract with D.H. Griffin Infrastructure, LLC

**Executive Summary**

On January 22, 2013, the City of Durham issued a bid package for the partial demolition and removal of existing street surfaces and infrastructure, installation of erosion and sedimentation control measures and mass grading of 48 properties located along South Street, W. Piedmont Avenue, Scout Drive and Hillside Avenue in the Southside neighborhood. Additional specifications included the installation of new street surfaces, curbs, sidewalks, street trees, water and sewer lines and storm drainage to serve all 48 homeowner units. Four (4) bids were received on the March 7, 2013 due date.

Contractor	Lump Sum Price
Barnhill Contracting	1, 859,833.75
<b>D. H. Griffin Infrastructure, LLC</b>	<b>1,729,880.51</b>
Sullivan Eastern, Inc.	1,903,707.00
Triangle Grading & Paving, Inc.	1,749,125.99

The lowest bidder was D.H.Griffin Infrastructure, LLC with a lump sum price of \$1,729,880.00 and it is in compliance with the Ordinance to Promote Equal Business Opportunities in City of Durham contracting. The bid specs allowed \$145,000.00 for gateway improvements which is included in D.H. Griffin Infrastructure, LLC's bid amount of \$1,729,880.51. A decrease in the amount of the gateway allowance to \$75,000.00 reduces the amount of D. H. Griffin Infrastructure, LLC's contract amount to \$1,659,880.51.

**Recommendation**

The Department of Community Development recommends that City Council:

1. Authorize the expenditure of up to \$1,908,863.00 in Community Development Block Grant, Section 108 and general funds for site preparation and infrastructure activities in the Southside neighborhood;
2. Authorize the City Manager to execute a Site Preparation and Infrastructure Contract with D.H. Griffin Infrastructure, LLC in an amount up to \$1,659,881.00; and,

3. Establish a contingency fund in the amount of \$248,982.00 from Community Development Block Grant funds and authorize the City Manager to negotiate change orders provided that the cost of all change orders does not exceed \$248,982.00 and the total amount of the Site Preparation and Infrastructure Contract does not exceed \$1,908,863.00.

### **Background**

On May 2, 2011, the City Council approved an architectural and engineering Contract between the City of Durham and the Center for Community Self-Help. The Contract provided funding for Self-Help to hire O'Brien Architecture and Haden Stanziale, Planners, Landscape Architects and Civil Engineers (now Stewart) to create house designs and a detailed development plan for the Southside neighborhood project area. The plans would be used by builders to construct the proposed 48 affordable housing units. (See attachment). In order to build the units, the proposed site preparation and infrastructure work is needed.

### **Issues/Analysis**

Although the City will provide funding for site preparation and infrastructure improvements, the topography of the neighborhood must be taken into consideration. Currently, the 48 lots that will be developed vary greatly in topography and dimensions. Grading will cut down the slope along South Street, Scout Drive and other locations with corresponding fill being placed along Hillside Avenue to reduce the slope in that location. In addition, the scope of work will include the replacement of very old water and sewer lines along South Street and Hillside Avenue with installation of new sidewalks on both sides of South Street and one side of Hillside Avenue. The Beamon Street Assemblage will be used as a spoil site for excess fill materials for other site preparation activities.

### **Alternatives**

The City Council could elect to not approve the Site Preparation and Infrastructure Contract with D.H. Griffin Infrastructure, LLC. Without approval of the Contract, the pre-development work needed for the project would not move forward and the selected homebuilders would not be able to build upon the 48 lots that the City has purchased from the Self-Help Ventures Fund.

### **Financial Impact**

The financial impact associated with the Site Preparation and Infrastructure Contract will be a maximum amount up to \$1,908,863.00 in Community Development Block Grant, Section 108 and City Dedicated Funding Source funds. Below is a summary of the total funding sources included in the Contract.

SOURCE	BUDGET CODE	AMOUNT
FY 2011-12 CDBG	1132D012-728600-QWH1F	346,307.00
FY 2012-13 CDBG	1113D013-728600-QWH1F	444,257.00
Section 108 Loan	3410D900-728600-QWH1D	664,023.00
Dedicated Funding Source (DFS)	3410D900-728600-QWDFC	454,276.00
Total Funding Amount		\$1,908,863.00

**SDBE Summary**

The Equal Opportunity/Equity Assurance Department reviewed the bid submitted by D. H. Griffin Infrastructure, LLC of Greensboro, North Carolina to determine compliance with the Ordinance to Promote Equal Business Opportunities in City Contracting. The goals for this project are MSDBE 7% and WSDBE 2%. It was determined that D. H. Griffin Infrastructure, LLC was in compliance with the Ordinance to Promote Equal Business Opportunities in City Contracting

**SDBE Requirements**

D. H. Griffin Infrastructure, LLC will subcontract to the following certified firms:

<b>Firm</b>	<b>ID</b>	<b>City/State</b>	<b>Amount</b>	<b>% of Contract</b>
LaCayo Concrete Flatwork, Inc.*	MBE	Rougemont, NC	\$110,000	6%
Busy Black Trucking	MSDBE	Durham, NC	\$ 17,000	1%
RDU Paving	WDBE	Graham, NC	\$ 63,000	4%

\*LaCayo Concrete Flatwork, Inc. is certified as a MBE with the North Carolina Department of Transportation and therefore can be used to meet the minority goal for this project.

**Attachments**

Grading and Drainage Plan (Sheet C-4.0)